

BOARDS

mr &
8 653.4
am 352

**American
Broadcasting
Companies, Inc.
Annual Report 1967**

2	Year in Brief
3	President's Letter to Stockholders
4	ABC News
6	ABC Television Network
8	Television
8	ABC Owned Television Stations
8	ABC International
8	ABC Films
10	Radio
10	ABC Radio Network
10	ABC Owned Radio Stations
12	Non-Broadcasting
12	ABC Theatres
12	Motion Picture Production
14	ABC Records
14	Other Activities
16	Financial Review
18	Consolidated Financial Statements, Notes and 5 Year Summary
24	Directors and Officers

Executive Offices

1330 Avenue of the Americas
New York, N. Y. 10019

Independent Accountants

Price Waterhouse & Co.

Transfer Agent

Bankers Trust Company

Registrar

The Bank of New York

Cover:

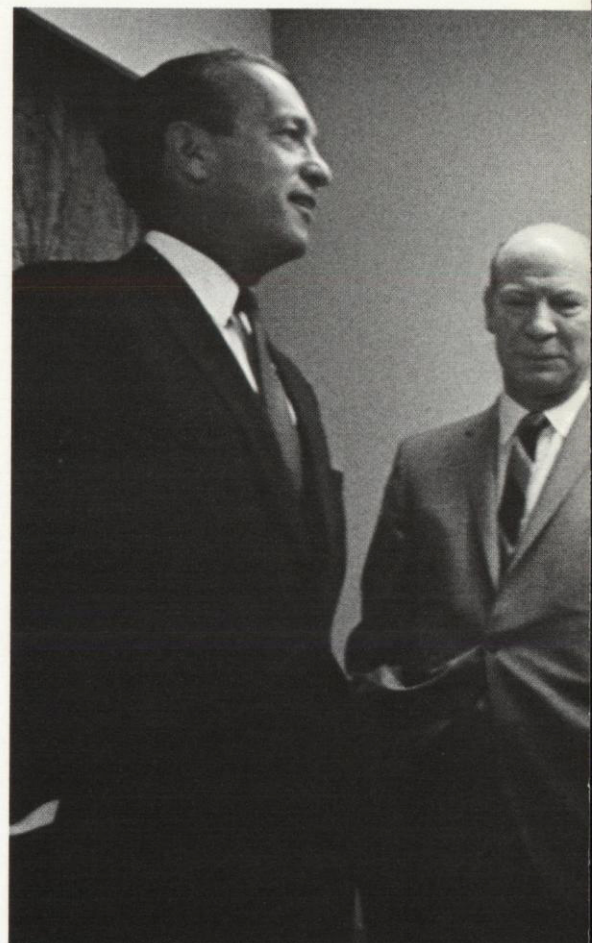
The mobile design envisions the creative and challenging values that distinguish the television medium—multi-sensory impact, audience depth and reach, environmental involvement in locality, nation and world and motivational thrust that extends television's influence beyond the visual presentation.

APR 19 1968 Co

Year in Brief

	1967	1966
Revenues		
Broadcasting	\$431,325,000	\$413,684,000
Theatres	84,877,000	82,390,000
Merchandise sales and other	58,750,000	43,898,000
Total	<u>\$574,952,000</u>	<u>\$539,972,000</u>
Expenses		
Operating and general expenses	\$525,694,000	\$485,505,000
Depreciation	12,056,000	8,756,000
Interest	5,996,000	3,686,000
State, local and payroll taxes	9,847,000	9,315,000
Federal income tax	9,600,000	14,850,000
Total	<u>\$563,193,000</u>	<u>\$522,112,000</u>
Earnings		
Operations	\$ 11,759,000	\$ 17,860,000
Capital and non-recurring gains, net	<u>1,770,000</u>	<u>206,000</u>
Net earnings	<u>\$ 13,529,000</u>	<u>\$ 18,066,000</u>
Per share:		
Operations	\$2.50	\$3.81
Capital and non-recurring gains, net .....	.38	.04
Net earnings	<u>\$2.88</u>	<u>\$3.85</u>
Dividends		
Total	\$ 7,515,000	\$ 7,496,000
Per share	\$1.60	\$1.60
Financial Position at Year End		
Working capital	\$ 83,050,000	\$ 91,755,000
Property and equipment, net.	\$127,024,000	\$113,464,000
Total assets	\$365,210,000	\$320,315,000
Loans payable after one year.	\$ 84,381,000	\$ 87,897,000
Stockholders' equity:		
Total	\$147,973,000	\$141,111,000
Per share	\$31.30	\$29.98
Number of common shares issued	4,727,380	4,707,270
General		
Stockholders of record	16,106	16,746
Theatres	401	401
ABC-TV Network primary affiliates. .	146	137

Earnings per share are based on the average number of shares outstanding.



Leonard H. Goldenson
President

Simon B. Siegel
Executive Vice President

President's Letter To Shareholders

The year 1967 was an abnormal one for the broadcasting industry and especially for ABC. During a period of rising costs due in a large part to colorization, there was a smaller gain in revenues than in recent years because of the prevailing uncertainty in the advertising community. The result was that increased revenues did not offset increased costs. Earnings were also affected by a lack of flexibility in planning and operations because of the long delay of the proposed ITT merger. In addition, there were the high costs related to broadcast coverage of the Mid-East crisis last June and the effects of two strikes. The strike by the NABET engineering union was taken only against ABC, even though negotiations theretofore had included another network. Management resisted what it considered excessive demands. Coming last fall as the television season began and lasting nine weeks, this strike adversely affected ratings of programs, both daytime and nighttime, where live production could not be continued. Cumulatively, these factors affected overall broadcasting results. Earnings from non-broadcast activities, theatres and phonograph record operations, were ahead of the prior year.

The merger with ITT, as you are all aware, was terminated by ITT on January 1, 1968. ITT stated that its decision was made in light of the long delays since the proposed merger was announced in December, 1965 and the indications of continued delays in the future. At the time, the merger was being reviewed by the U.S. Court of Appeals after having twice been approved by the FCC but opposed by the Department of Justice.

During the two year period that the merger was pending, restrictions were imposed on our ability to take certain constructive measures. In particular, we were severely limited as to changes in our financial structure during a period of greatly increased cash requirements. Freed from the restrictions under the merger agreement, we recently filed a registration statement covering a proposed public offering of \$75,000,000 convertible subordinated debentures. However, due to unsettled market conditions, the offering was postponed. As I stated publicly, our company will "move vigorously and forcefully to strengthen and expand our company's interests and growth."

Despite the restrictions as a result of the then pending ITT merger, our company moved forward to strengthen its future growth. A new concept in radio networking was initiated to create four network services; an agreement was made to acquire a seventh radio station in Houston, subject to FCC approval; the theatre portfolio was upgraded with the addition of twenty-five new theatres and the disposition of twenty-five marginal theatres and the phonograph record business was enlarged. The company also commenced the production or co-production of a limited number of theatrical motion pictures which will be distributed by outside distribution companies.

Indications are that operating earnings for the first quarter of 1968 will be substantially lower than for the like period of 1967, due primarily to a continuation of some of the factors affecting earnings in 1967 and start-up costs in establishing the new radio four network services. This is exclusive of

the non-recurring capital gain realized by the company upon the sale of its investment in Microwave Associates, Inc., amounting to \$3,045,000, net after applicable federal income tax.

Early in the first quarter of 1968, certain program changes were made in the television network's prime time schedule. This factor, as well as increased advertiser demand for ABC prime time availabilities, has resulted in the network achieving a stronger sales position for the second quarter of 1968 to that of the second quarter of 1967 at this time. Should the economy move ahead more firmly in 1968, we can look forward to renewed vigor in broadcasting and advertising revenues.

To improve our operations, we have already initiated a number of constructive measures that should prove beneficial this year and in the future.

(1) In our television network operation, efforts are being made to produce more programs in our own studios in order to reduce the overall network program production outlay, without in any way affecting the quality of programming or the network's policy of program innovation.

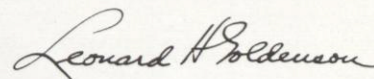
(2) As part of our company's program of re-examining all expenditures, plans have been made to curtail costs in certain public affairs programming while retaining substantially intact the regularly scheduled network news programs and staffs, both domestic and international. Particular attention is being given to more condensed and precise reporting coverage of the forthcoming political conventions, a change from prior network practices that will offer viewers greater program selection without detracting from the important and major occurrences at the conventions. This new format has generally received favorable public and critic reaction.

(3) Capital expenditures have been re-evaluated with respect to taking care of our immediate needs of modernization and conversion of existing broadcast studio facilities to color and deferring our long range plans for new studio complexes in New York and Hollywood.

(4) We have made internal changes to strengthen our executive organization for present and future responsibilities. In this connection, Elton Rule, Vice President and General Manager of our owned television station in Los Angeles, was appointed President of the television network.

In closing, I would like personally to thank you for your patience and support during the frustrating merger period and to assure you that your Board of Directors, your management and the more than 15,000 employees of your company are confident that significant and meaningful progress will be achieved in the years ahead.

Sincerely,



March 14, 1968

President

ABC News

ABC News, through its correspondents and camera crews stationed around the world, brought the historic events of another year into the homes of millions of Americans. Broadcasting accurate, authoritative reports from the scenes of virtually every major news event in the world and airing comprehensive, compelling television and radio documentary programs, ABC News won many major awards in 1967, including an Emmy for its television documentary on Westminster Abbey, "Hall of Kings."

Television's first four-hour documentary program, ABC News' "Africa," was hailed by industry critics as a major breakthrough in broadcasting, an "event" in itself. Seen in color during prime time on September 10, 1967, "Africa" was cited as the most thorough single presentation of a continent, its nations, peoples, animals and problems ever achieved by a television news organization. In cooperation with educational authorities, the program was later telecast in four hourly segments at convenient times for showings in many schools and colleges throughout the country and a filmed series of the programs was also placed in distribution to educational institutions.

Among other noteworthy documentaries telecast in 1967 were "Ivan Ivanovich," an intimate look at the daily life of a Soviet family; "Robert Scott and The Race to the South Pole," a gripping account of the ill-fated 1910 Antarctic expedition; "Southern Accents-Northern Ghettos," a revealing probe of the racial problem in America, and "Take a Deep Deadly Breath," a distressing study of air pollution in the U.S. ABC News also updated its award-winning 1966 documentary on a retarded boy, "The Long Childhood of Timmy," and examined the world of the deaf child in "Can You Hear Me?"

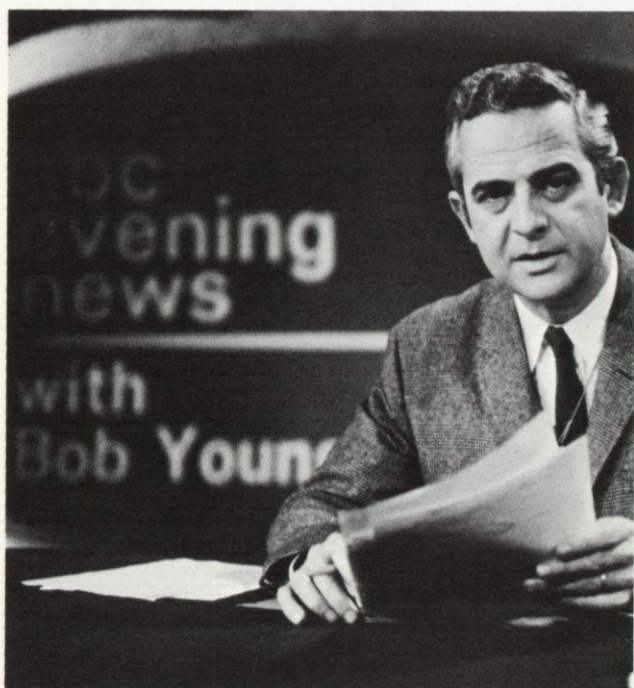
Starting on January 3, 1968, ABC News correspondent Bob Young became anchorman of the weekday half-hour "ABC Evening News" in color. This is our principal tele-

vision network news broadcast and makes extensive use of reports from ABC News correspondents throughout the world, as well as interpretive analysis from such respected ABC commentators as Howard K. Smith, William H. Lawrence, John Scali and Joseph C. Harsh. In addition to the Monday-through-Friday evening news, ABC News produces "The ABC Weekend News," a fifteen-minute color news broadcast on Saturday and Sunday nights with Keith McBee as anchorman.

The introduction of the unique ABC four network service concept in radio, described more fully in the radio section of this report, required ABC News to greatly increase its on-air writing and reporting news team to supply the needs of four distinct types of radio news programming.

ABC News provided on-the-scene coverage of compelling events ranging from the Apollo spacecraft tragedy, in which three astronauts lost their lives, to the White House wedding of Lynda Bird Johnson. The sudden eruption of war in June in the Mid-East sent correspondents and camera crews to the front lines on both Israeli and Arab sides to cover the short, fierce conflict. At the conclusion of the six-day war, ABC News scored an impressive first by gaining an exclusive interview with Jordan's King Hussein. The interview was broadcast on radio and television on "Issues and Answers." Meanwhile, the twenty-five man Saigon bureau continued its intensive coverage of the Vietnamese war, reporting daily on television and radio programs as well as on numerous special programs.

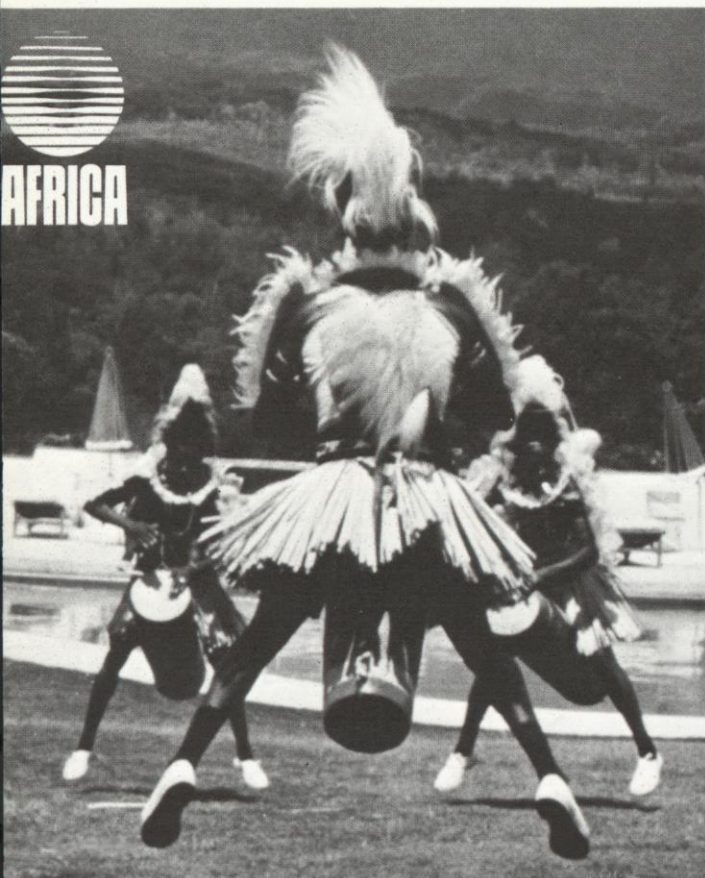
ABC News continued its well-received program on religion, "Directions," which received a Gabriel Award, and its children's series, "Discovery," which during 1967 received the Thomas Alva Edison Award, the Finlandia Award, the Western Heritage Foundation Award and a Parent's Magazine Award.



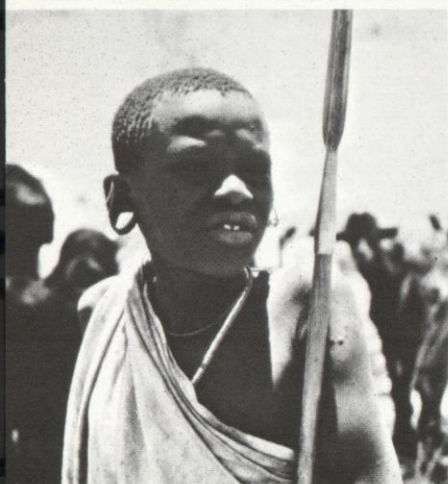
Bob Young on the half-hour evening news program, telecast each weekday on the ABC Television Network.



World of the deaf child, one of the many compelling subjects studied on news specials in 1967.



AFRICA



Recipient of the George Polk Memorial Award for outstanding television documentary, "Africa" was cited as "a milestone in television journalism."

ABC Television Network

The year 1967 was characterized by a prevailing uncertainty in the advertising community. Advertisers tended to hold back on long-range commitments in all media, particularly for the latter half of the year. The result was a modest 2.6% gain in total advertising revenue in 1967 over 1966 compared with an increase of 8.8% for 1966 over the previous year. Because of a slower rate of growth of advertising revenues, industry figures for the three television networks reflected an overall network billings increase of 6.3% in 1967 over 1966 compared with a 12% gain in 1966 over the previous year.

During 1967, the ABC Television Network was affected by two strikes. Coming last fall as the television season began and lasting nine weeks, the NABET engineering strike adversely affected ratings of programs, both nighttime and daytime, where live production could not be continued.

Should the economy move ahead more firmly, we can look forward to renewed vigor in total advertising and particularly in broadcasting advertising revenues which have been rising at a proportionately faster rate.

In 1967, the ABC Television Network continued to provide the viewing public with a balanced schedule of entertainment, sports, news and public affairs programming. In entertainment, the network proceeded from a broad base of established popular programs. Among those especially well received were "Bewitched," "Lawrence Welk," "The FBI," (this year reaching the largest audiences in its history) and the Sunday and Wednesday night movies. The Thursday night situation comedy block has established itself extremely well, anchored by "The Flying Nun," which achieved great success in its first season.

Feature films continued to demonstrate a very high degree of acceptance by both viewers and advertisers. To assure itself a substantial inventory for showing this season and in seasons to come, the network continued to license high quality feature films. Included in these packages are "The Carpetbaggers," "Dr. Strangelove," "Is Paris Burning?," "Cat Ballou," and "The Agony and The Ecstasy." ABC's feature film packages for 1968 and 1969 showing appear even stronger than those of the past season.

All three networks telecast a number of specials in order to explore new areas of creativity and to provide more varied programming. Among the ABC specials were musical adaptations of "Kismet" and "Carousel" and Truman Capote's original dramas, "Among the Paths to Eden" as well as a repeat of his award-winning "A Christmas Memory." A number of two-hour adaptations of Broadway classics augmented the Sunday and Wednesday movies. Among them were "Dial M For Murder," "The Diary of Anne Frank" and "Johnny Belinda." The "Academy Awards" continued to be network television's most enduringly popular single program, marking its seventh consecutive year on ABC-TV.

One important special project was "The Undersea World of Jacques Cousteau." In January, the network presented the first of twelve hour-long color programs devoted to the ex-

ploration of the resources and mystery of the sea. It was extremely well received by the critics and viewing public. The remainder of these programs will be telecast over the next three years.

In the daytime schedule, all original programs have been presented in color since January, 1968. The solidity of the afternoon lineup of game shows and dramas put the network in a strongly competitive position. The morning segment continued to be a problem, partly because the schedule was considerably disrupted by the extended NABET strike this past fall. On March 4th of this year, ABC-TV introduced a new concept in network daytime programming—a 90-minute five-day-a-week variety series, "This Morning," starring Dick Cavett, which promises to strengthen this portion of the daytime schedule.

Sports have become a significant part of network television programming. The public is drawn by their immediacy and excitement, and advertisers by their extremely receptive selling climate. NCAA college football continued as one of television's outstanding sports events and ABC's agreement with the NCAA has been extended with an expanded schedule through the '68 and '69 seasons.

The network maintained year-round coverage of a wide range of sporting events. Among these programs were "Wide World of Sports," ABC-TV's popular 12-month anthology of those sports not generally seen on television; "The American Sportsman," which captures the thrills of hunting and fishing; major golf tournaments and the competitions of Professional Bowlers Tour and NBA Professional Basketball. ABC-TV Sports generally reached new audience highs in 1967. Possibly the best comment on the network's sports production was found in the January 26, 1968 issue of Time Magazine "...ABC, which popularized many of the innovations, is still the peerless pro."

Perhaps the most extensive network use of satellites was by ABC in its sports coverage, bringing viewers such events as the British Open, The Hula Bowl from Hawaii, and heavyweight championship fights from Europe. ABC-TV made even more extensive use of satellites with its exclusive coverage of the dramatic international competitions of the Winter Olympic games from Grenoble, France, in February, 1968. The Summer games will originate from Mexico City in October.

The network also made a significant advance in 1967 by establishing a late night television program from 11:30 PM to 1:00 AM—"The Joey Bishop Show." A successful late night show has great profit potential and at this early stage against established competition, this program has received satisfactory audience and sponsor reception.

In 1967, the network gained a number of new primary affiliated stations. The total of 146 primary affiliates at the year end covered approximately 95% of total U.S. television homes. ABC-TV is still at a competitive disadvantage to the other networks in this respect.



"The Flying Nun," with Sally Fields as the unorthodox novitiate, a warm and winning situation comedy.



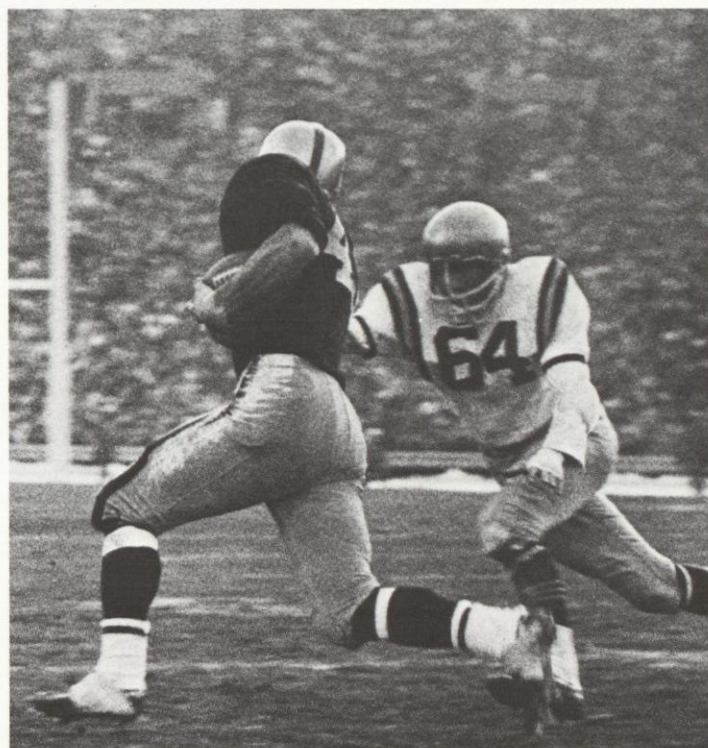
"The Joey Bishop Show," late evening entertainment drawing glamorous and talented guests like Debbie Reynolds.



Among the important movies telecast was "The King and I," starring Yul Brynner in his Academy Award performance and Deborah Kerr.



Exclusive on ABC, the Winter Olympics, telecast in color and via satellite, was the most ambitious sports production ever undertaken.



With innovations such as "split-screen instant replay" on NCAA football, ABC enhanced its position of creative leadership in sports.

Television

ABC Owned Television Stations

The ABC Owned Television Stations in the five major markets in which they operate maintained their overall competitive positions in sales, local programming and community service.

During 1967, progress continued toward our objective of colorization of all facilities, and the five stations were provided with the capability of broadcasting local news, public affairs and entertainment programs in color.

The past year was marked by continued dedication to local news coverage and dissemination. In 1967, the five stations added more than eleven hours of news programming each week to their combined schedules. In addition to the network's daily half-hour news program, three of the stations expanded their local early evening news to half an hour, while KABC-TV in Los Angeles and WXYZ-TV in Detroit now offer a full hour of early evening local news each weekday night.

During the summer, when Detroit was struck by a violent racial upheaval, WXYZ-TV's coverage of the tragic event was hailed by the public and the press as a model of journalistic restraint. The station was later nominated for consideration for a Pulitzer Prize in Journalism by Dr. Leonard Mass, Chairman of the Department of Sociology at Wayne State University. Also, in the first seven months of 1967, the audience for WXYZ-TV's news programs increased more than 60 percent; and in testimony to the quality of the station's news operation, the Michigan Associated Press Broadcasters awarded WXYZ-TV seven awards, including top honors in three categories.

The ever-growing quality of the stations' news operations is represented by the recognition awarded KGO-TV in San Francisco during 1967. The station received the National Headliners Club Award, three major awards from the California Associated Press, the San Francisco State College Broadcaster's Award, two San Francisco Press Club Awards and a special commendation from the California State Assembly.

Indicative of the stations' involvement in community affairs is their policy of editorializing on issues of local interest. During 1967, there were more than 3,000 editorials broadcast covering subjects of vital community interest.

The stations also distinguished themselves in the development of special programs that covered a wide range of community interests. WABC-TV's documentary study of "Sleep: The Fantastic Third of Your Life" won two Emmy Awards as well as the prestigious Ohio State Award. WBKB-TV in Chicago was the recipient of two Ohio State Awards for "The Opera Makers" and "The World of Andrew Wyeth." In addition, WBKB-TV was singularly honored when it received broadcasting's most respected citation, the George Foster Peabody Television Award of Excellence for "Kup's Show" with famed columnist Irv Kupcinet.

KABC-TV produced forty-six special programs and documentaries during 1967. Among them was a unique study and report on the effects on a group of ghetto-area children when they were given a "Vacation from Watts."

The Freedom Foundation cited two of the stations in 1967: WABC-TV for its color special "This Is the Point," about the United States Military Academy; and WBKB-TV for its highly acclaimed "Illinois Sings."

KGO-TV devoted a series of special programs to the problems of young people in the San Francisco area. Typical of these documentaries was "The Runaways" which dealt with the growing problem of teenagers who are lured to the Bay area by its reputation as a hippie heaven. A unit of KGO-TV's news department also traveled to the Far East in 1967 to report on some unusual aspects of the Vietnamese conflict in three special programs.

ABC Television Spot Sales, which represents the five owned television stations in the sale of advertising on a national basis, reported record sales for the sixth consecutive year.

ABC International

ABC International acts as purchasing and sales representative for foreign television stations, known as the Worldvision group, located in twenty-six countries. During the past year, ABC International undertook representation of the CTV Network of Canada, eleven stations comprising Canada's independent network service, for its television sales in the United States and overseas.

ABC has minority interests in a number of foreign stations, and, overall, these stations have shown gains on equity in 1967.

As television continues to grow in virtually all parts of the world and as communications satellites and earth stations expand the reach of television to more and more stations, it is expected that advertiser interest in the use of television overseas will also increase.

ABC Films

ABC Films, Inc., the television program distribution subsidiary, substantially increased its sales of television programs to both domestic and foreign television stations.

Domestically, the year's highlights included "Virginia Graham's Girl Talk," produced in color for the first time as the series entered its sixth year; "Combat!," now scheduled on local stations throughout the country following its highly successful network presentation; and "New Year's Eve with Guy Lombardo," produced by WABC-TV and syndicated 'live' and in color to eighty stations.

Internationally, ABC Films has sold programs in ninety-two countries around the world. Acceptance of four new network series added to the upswing in foreign sales volume—"Garrison's Gorillas," "N.Y.P.D.," "Cowboy in Africa" and "The Invaders."



On-the-scene reporting by WABC-TV in New York, part of the comprehensive local news coverage by ABC Owned Television Stations.



Special programs by the ABC Owned Television Stations included WBKB-TV's documentary on the American artist Andrew Wyeth, narrated by Henry Fonda.



ABC Films' "Virginia Graham's Girl Talk," the long-running program now in its sixth year.



Program on CFTO-TV, Toronto, flagship station of the CTV Network of Canada and an associate of ABC International's Worldvision station group.

Radio

ABC Radio Network

A new concept for network radio was conceived last year. It called for the creation of four separate and distinct radio network program services and began operations on January 1, 1968.

The four services are The American Information Radio Network, The American Contemporary Radio Network, The American Entertainment Radio Network and The American FM Radio Network.

This new concept recognizes the changes that have occurred within the radio medium over the past two decades, particularly the emergence of individual station program formats on a market-by-market basis. Each service is designed for affiliation with local stations whose overall program formats and audiences are compatible with the particular network service. Each service is separately and distinctly designated, programmed and sold to advertisers. Because of the similarity of its affiliates and potential audience, each network service is also able to offer advertisers an effective and efficient method of reaching specific target audiences.

While no precedent existed for this new type of multi-network service, it has presented a new creative approach to the radio medium, utilizing the strengths of networks that are adaptable to the modern-day operations of stations and offering the opportunity to broaden the base and sales potential of radio network operations.

Walter A. Schwartz, formerly Vice President and General Manager of radio station WABC in New York, was appointed President of the ABC Radio Network.

ABC Owned Radio Stations

The ABC Owned Radio Stations continued to maintain highly competitive positions in the six major markets of the country in which they operate. Sales for the year were second only to the record level achieved in 1966 reflecting the slower rate of growth of all advertising revenues during the past year.

In January, 1968, ABC announced the proposed acquisition of KXYZ and KXYZ-FM in Houston, one of the fastest growing markets in the country. This acquisition, if approved by the FCC, would give ABC its full complement of seven owned AM and seven FM stations permitted under FCC regulations.

Each owned station has achieved a significant position in its respective market through creative programming efforts and involvement in the affairs of the community. These programming efforts have resulted in large loyal audiences and public recognition through awards and citations. In 1967, more nationally recognized awards were received than ever

before. The radio editorials of KABC in Los Angeles were recognized with the first place award by the Radio-Television News Directors' Association and a special commendation from the American Medical Association. KGO editorials for better ambulance regulations in the San Francisco area were honored by an Alfred P. Sloan Award. Ohio State University cited WABC, New York, for its documentary series on the drug addiction problem among youths. WLS, Chicago, was honored by the National Headliners' Club for its outstanding radio editorials. In Pittsburgh, KQV's public affairs documentaries and editorials were honored by the Gabriel Awards of the Catholic Broadcasters of America, two American Baptist Convention Awards and the George Washington Honor Medal from the Freedoms Foundation.

Local and statewide recognition for important community contribution through news, public affairs and editorials indicated the ABC owned stations are respected leaders in their markets. For the third year in a row, WXYZ, Detroit, received more Michigan Associated Press Awards than any other Michigan station. The California AP Radio-Television Association awarded two of its top five honors to KABC, while KGO, San Francisco, won one. WABC in New York was singularly honored with several prominent awards including Sigma Delta Chi's "Deadline Club Radio Award" and the Citizen's Budget Commission Award—the only New York radio or television station to be so honored in 1967.

Many of today's problems facing communities require extensive station efforts off the air as well as on. In 1967, WABC, WLS and KQV all sought, through varied approaches, to attack the problem of school dropouts. WABC encourages school interest and activities through its annual Principal of the Year Awards in which over twenty-five million votes were cast last year. Another project, the "Big Break," a promotion to discover new musical talent, is a competition restricted to students only, and school support plays a decisive role in the selection of finalists.

In Pittsburgh, KQV sponsored its third "Career Exposition" to expose young people to employment and career opportunities in an informal manner so that possible dropouts can realize the need for staying in school to realize their career goals.

WLS, together with the Chicago Daily News, sponsored a massive campaign called "Project Stay" to combat the problems of the dropout. Efforts were made both to persuade students in school to finish their education and to assist those young people who had already dropped out. The project has received praise and extensive backing from local and state educational and social agencies.



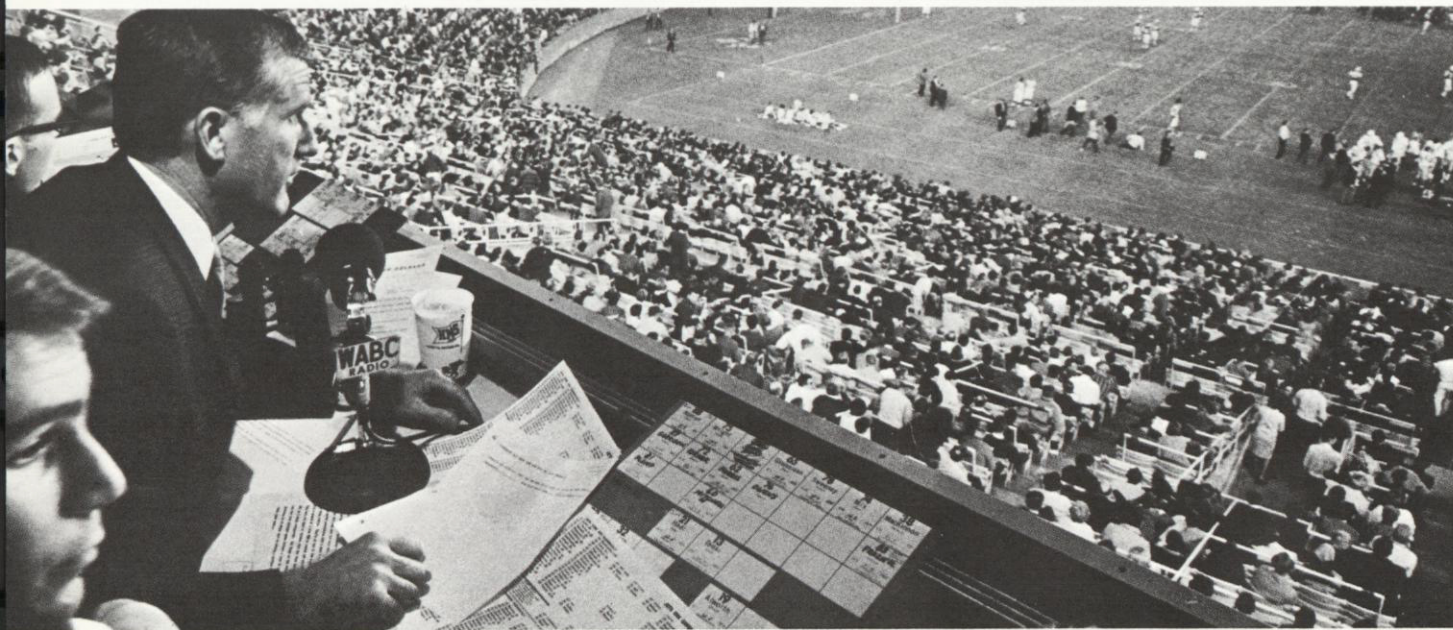
Display of news and sport personalities of the four radio network services and new technical facilities for the expanded radio network operations.



WABC Radio's reporter catches New York Mayor John Lindsay for a news comment.



Governor George Romney's viewpoint on both local and national issues were sought by WXYZ Radio newsman in Detroit.



WABC Radio provides exclusive radio coverage of the New York Jets football games.

Non-Broadcasting

ABC Theatres

Theatre revenues increased in 1967 as they have each year since 1962. Theatre earnings this past year were at their best levels since 1955.

The most important factor contributing to the improved level of business has been the general quality of pictures. Developments this past year have been most encouraging in this respect. The entry into theatrical production by several newcomers, including ABC, augurs well for the future supply of motion pictures to theatres. These new sources of supply can be expected to add impetus to the upward trend in theatre business.

Another important factor in the improvement of theatre business has been the company's modernization program. Recognizing the population shift to the suburbs, greater emphasis has been placed in locating new theatres in those areas which are more accessible to potential patrons and can provide the needed parking facilities. At the same time, the disposition of marginal properties has continued. Since the beginning of the upward trend in theatre business in 1963, sixty-one theatres have been acquired, most of these being leaseholds. During the same period, 103 marginal properties were divested. This past year alone, twenty-five newly acquired theatres were placed into operation and twenty-five marginal properties were divested. At the year end, our company, through subsidiaries, had interests in 401 theatres in thirty-one states. Two new theatres began operating since January, 1968 and twenty-one theatres are presently in various stages of construction, most of which are expected to be in operation before the end of the year. Additional theatres are being processed. Almost all of the theatres acquired since 1963, as well as those which are now in various stages of construction and planning, are or will be located in suburban shopping centers.

Motion Picture Production

In 1967, our company commenced the production or co-production of a limited number of theatrical motion picture films.

Motion picture exhibitors, of which our company is a principal one, have long expressed the viewpoint that the supply of quality pictures has not kept pace with demand. In fact, the number of pictures released by the major domestic production companies last season was far less than the number released ten years ago despite the resurgence of new

theatre construction that has been taking place during the past six years. Our company's entrance into production as well as that by several other companies, has been welcomed by the nation's theatre owners as a constructive step for the continued and future well-being of the industry.

Our two producing subsidiaries are Selmur Pictures and Palomar Pictures International. Pictures will be first distributed to theatres by outside distributing companies and later, as merited, will become available for television network and syndication use.

Among the pictures that are in preparation for release or in various stages of production are: "For Love of Ivy," starring Sidney Poitier, currently the number one box-office star, and directed by Daniel Mann; "Candy," based on one of the most provocative novels of the decade, with an exceptional cast including Richard Burton, Marlon Brando, Ringo Starr, James Coburn, Walter Matthau and Charles Aznavour and with the screenplay by Buck Henry, the co-writer of the screenplay of the current Academy Award nominee "The Graduate"; Sean Connery and Brigitte Bardot featured in "Shalako," directed by Edward Dmytryk and produced by Dimitri deGrunwald and Euan Lloyd; and "Hell in the Pacific," starring two of the world's top male performers, Lee Marvin and Japan's Toshiro Mifune. Other planned features include "Charly," starring Cliff Robertson and Claire Bloom and produced by Ralph Nelson whose credits include "Requiem for a Heavyweight" and "Lilies of the Field"; and Harold Pinter's prize-winning play "The Birthday Party," with Robert Shaw in the leading role.

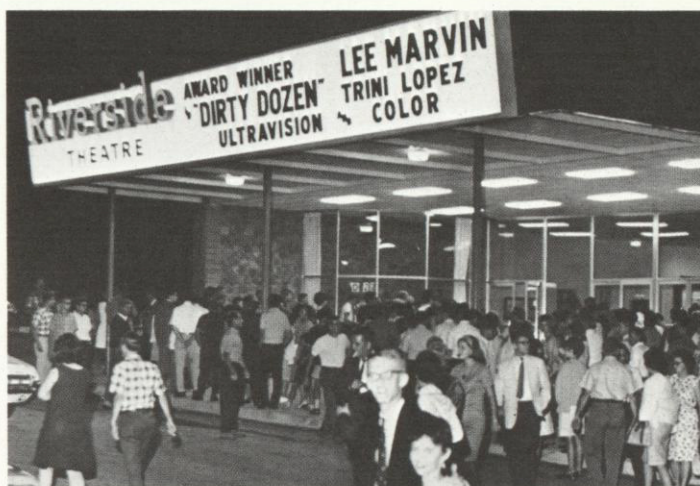
Robert Aldrich, whose most recent success was "The Dirty Dozen," one of the biggest-grossing films in motion picture history, will produce four films over the next two years. He will produce and direct "The Killing of Sister George" from the New York and London stage successes and "Too Late the Hero," starring Michael Caine, and he will produce "What Ever Happened to Aunt Alice," based on the novel, "Forbidden Garden," from a screenplay by the distinguished playwright William Inge and "The Greatest Mother of 'Em All," from an original screenplay by A. I. Bezzerides and Edward Harper.

Our company also has a 50% interest in two major Cinerama-type pictures—"Custer of the West," with Robert Shaw heading an all-star cast and "East of Java."

Among the new theatres operating in 1967—



El Dorado Theatre—Tucson, Arizona



Riverside Theatre—Danville, Virginia



Terrace Theatre—Greensboro, N.C.



Hillcrest Theatre—Joliet, Illinois



Plaza I and II Theatres—St. Petersburg, Florida



Northshore Theatre—Houston, Texas

ABC Records

ABC Records again experienced its best year with sales at a record high. Single and long-playing recordings continued to reach top positions in popularity and one album by The Mamas and The Papas was officially certified as a gold record (sales of a million dollars or more) by the Record Industry Association of America. Added to the company as exclusive recording artists were such well-known names as The Young Americans, Jane Morgan, Judy Garland and Kay Starr.

Westminster, the classical division, added to its catalog the first complete set of Mozart Symphonies recorded by one conductor, Erich Leinsdorf. Among new artists was Norman Treigle, leading performer of the New York City Opera, in his first solo recording. Composer Olivier Messiaen received the Koussevitzky Foundation Award for the recording of his "Three Short Liturgies."

Command Records continued its highly successful pattern of producing the finest quality stereophonic albums, notably "Brass Impact," which created much favorable critical and public attention. New recordings added to the catalogue included Count Basie, The Ray Charles Singers, Doc Severinsen, Benny Goodman and William Steinberg & The Pittsburgh Symphony Orchestra.

During 1967, ABC Records also broadened its operations by several small acquisitions, principally in the area of direct service to retail outlets.

Other Activities

The company's publishing operations are centered in three leading agricultural publications with a combined circula-

tion of about 800,000. *Prairie Farmer* published in Chicago, *Wallaces Farmer* in Des Moines and *Wisconsin Agriculturist* in Racine have excellent coverage of the very heart of the Cornbelt. In 1967, these papers achieved a record volume of business, making notable advances in color printing and in service to America's farmers.

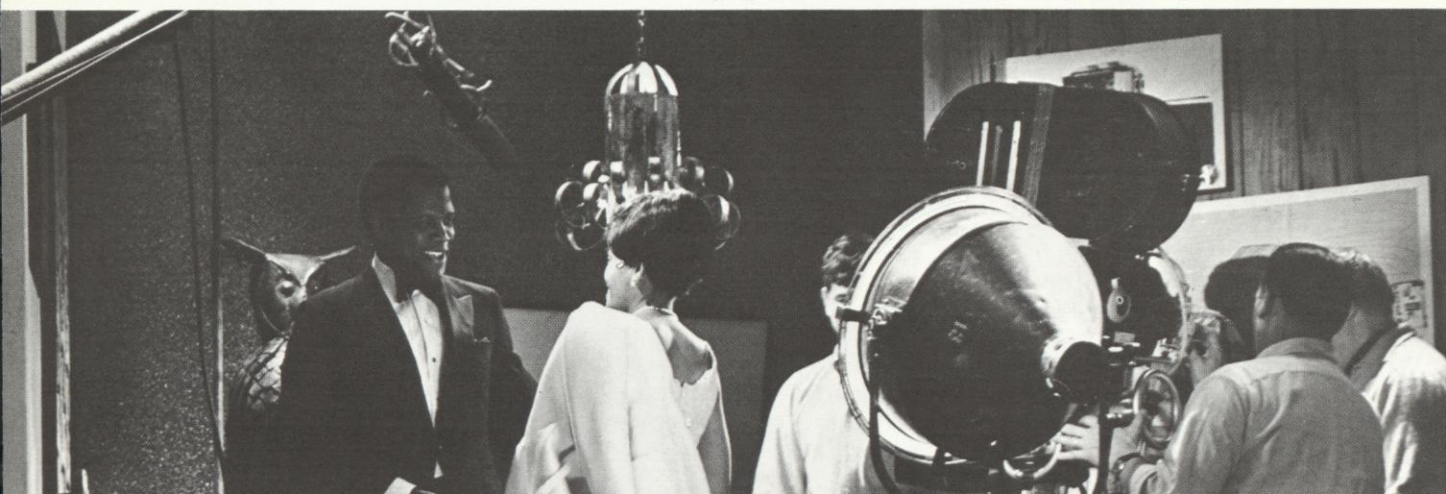
The two owned scenic centers in Florida, Weeki Wachee Spring and Silver Springs continued to attract greater tourist attendance to their unique attractions. The natural springs serve as a focal point for underwater shows, glass-bottom boat rides and wildlife exhibits.

ABC Marine World, a new concept in undersea exhibition is now being constructed in Redwood City, near San Francisco, and is scheduled to open in mid-1968. Its eighty-six acres, a series of islands connected by lagoons and waterways, can be toured by boat or explored at leisure on foot along a series of connecting bridges. The attractions will include a large oceanarium housing marine life in as close to their natural habitat as can be realized, performances by dolphins, seals and whales, aquatic events such as water ski and boat shows, and other unusual and colorful marine exhibits. ABC Marine World will also contain an oceanographic research center to assist the marine science fields throughout the world.

ABC, through a partly-owned company, has a 40% interest in five "Holiday on Ice" shows; two of these internationally popular ice shows tour the United States and other parts of the Western Hemisphere, two productions are primarily shown in major cities of Europe and the fifth show is touring the Far East and Australia.



A selection of albums from ABC Records' catalogue of popular and classical recordings.



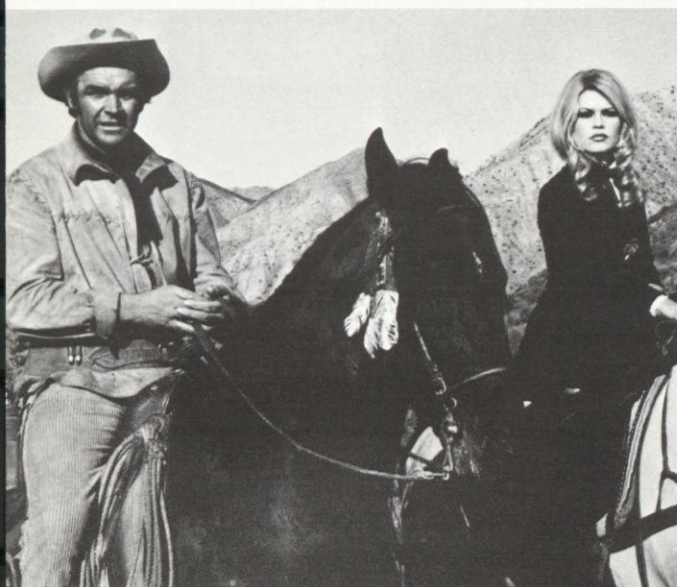
Sidney Poitier, currently the number one box-office star, is featured in the romantic comedy "For Love of Ivy."



Ewa Aulin stars as "Candy," with an international cast including Richard Burton and Ringo Starr.



Two of the world's top male performers, Lee Marvin and Japan's Toshiro Mifune, star in "Hell in the Pacific."



Sean Connery and Brigitte Bardot star in "Shalako," a western drama produced in Spain.



In Cinerama, "Custer of the West," starring Robert Shaw, and "East of Java," with an all-star cast headed by Maximilian Schell.

Financial Review

Revenues were at a record level of \$574,952,000 compared with \$539,972,000 in 1966. Revenues for the broadcasting division rose to \$431,325,000 from \$413,684,000. Theatre revenues increased to \$84,877,000 from \$82,390,000. Other revenues rose to \$58,750,000 from \$43,898,000, reflecting principally the increase in the phonograph record business.

Earnings from operations were \$11,759,000 or \$2.50 per share in 1967 compared to \$17,860,000 or \$3.81 per share in 1966.

Net capital and non-recurring gains rose to \$1,770,000 or \$.38 per share in 1967 and include the gain on the sale of the company's stock interest in Technical Operations, Inc. after a provision of \$1,000,000 as an additional reserve against investments. In 1966, net capital and non-recurring gains were \$206,000, or \$.04 per share.

Net earnings were \$13,529,000 or \$2.88 per share in 1967 compared to \$18,066,000 or \$3.85 per share in 1966.

Cash Dividends paid during the year were \$1.60 per share, the same as in the prior year. Total cash dividends were \$7,515,000 in 1967 and \$7,496,000 in 1966.

Stockholders' Equity increased to \$147,973,000 or \$31.30

a share at the end of the year from \$141,111,000 or \$29.98 a share at the close of 1966.

Loans Payable increased during the year principally by cash borrowings totalling \$34,149,000 representing \$25,000,000 under the loan agreement with International Telephone and Telegraph Corporation, \$2,500,000 additional under the term loan agreement with banks, \$2,405,000 initially taken down under the long-term loan financing the construction of ABC Marine World and \$4,244,000 short-term borrowings from banks. Repayments of loans during the year amounted to \$7,278,000.

Information concerning the balances of the various loans payable at the end of the year, interest rates and repayment terms is set forth in Note F to the financial statements on page 21.

Subsequent to the year end, a bank loan agreement was concluded providing for borrowings by a subsidiary of up to \$15,000,000 to finance the production of theatrical motion pictures. Notes issued under this agreement will bear interest at $\frac{1}{2}$ of 1% per annum above the prevailing commercial loan rate and will be repayable out of proceeds from the distribution of motion pictures as received with a final maturity of all such notes on June 30, 1971.

Working Capital at year end was \$83,050,000, representing a ratio of current assets to current liabilities of 1.7 to 1. The following table illustrates the change in composition of working capital during the year.

	Working Capital		Increase (Decrease)
	1967	1966	
Cash funds	\$ 13,294,000	\$ 19,833,000	\$(6,539,000)
Television and theatrical motion picture rights and production costs	109,057,000	82,775,000	26,282,000
Other current assets	76,872,000	67,195,000	9,677,000
	<u>\$199,223,000</u>	<u>\$169,803,000</u>	<u>\$29,420,000</u>
Current liabilities	116,173,000	78,048,000	38,125,000
Working Capital	<u>\$ 83,050,000</u>	<u>\$ 91,755,000</u>	<u>\$(8,705,000)</u>

Cash Funds, which amounted to \$13,294,000 at the end of 1967, were \$6,539,000 lower than at the end of 1966. This decrease in cash funds, when combined with the additional \$34,149,000 borrowed during the year, represents a net reduction of \$40,688,000 after utilizing the cash flow generated by the company's business activities during the year. The increase of \$26,282,000 in television and theatrical motion picture rights and production costs represent primarily additional television network broadcast rights, including feature motion pictures for current and future television network use and also theatrical motion picture production costs. Property and equipment expenditures of \$28,181,000 com-

prise \$18,312,000 applicable to the broadcasting division primarily for continued modernization and conversion of studios and equipment to color as well as additional facilities; \$9,419,000 related to theatres, principally for new theatres and the improvement and modernization of existing theatres; and \$450,000 applicable to all other operations. Depreciation for the year amounted to \$12,056,000, of which \$7,910,000 related to the broadcasting division, \$3,325,000 to theatres and \$821,000 to all other operations.

The sources and uses of cash funds for the year are set forth in the Cash Funds Statement below:

Cash Funds Statement		
For the Year 1967		
Cash funds used for:		
Property and equipment	\$28,181,000	
Increase in television and theatrical motion picture rights and production costs	26,282,000	
Dividends paid	7,515,000	
Repayments of loans	7,278,000	
Others, net	<u>2,939,000</u>	\$72,195,000
Cash funds provided by (excluding borrowings shown below):		
Earnings from operations	\$11,759,000	
Depreciation	12,056,000	
Capital and non-recurring transactions	6,844,000	
Common stock sold under options	<u>848,000</u>	<u>\$31,507,000</u>
Balance of cash used in excess of cash provided, derived from:		
Additional borrowings under loan agreements ..	\$34,149,000	
Net reduction in cash funds	<u>6,539,000</u>	<u>\$40,688,000</u>

Consolidated Financial Position

Assets

	December 30, 1967	December 31, 1966
Current Assets:		
Cash	\$ 11,821,000	\$ 16,443,000
United States Government securities, at cost (approximate market)	1,473,000	3,390,000
Receivables, less allowance for doubtful accounts of \$1,888,000 in 1967 and \$1,596,000 in 1966	67,134,000	61,487,000
Television and theatrical motion picture rights, production costs and advances, less amortization (Note C)	109,057,000	82,775,000
Inventory of merchandise and supplies, at cost or less	8,338,000	4,139,000
Prepaid expenses	1,400,000	1,569,000
Total current assets	<u>199,223,000</u>	<u>169,803,000</u>
 Investments , at cost, less reserves of \$4,657,000 in 1967 and \$3,657,000 in 1966 (Notes D and G)	<u>12,194,000</u>	<u>14,352,000</u>
 Property and Equipment , at cost (Note E)	175,331,000	157,806,000
Less—Accumulated depreciation and amortization	<u>48,307,000</u>	<u>44,342,000</u>
	<u>127,024,000</u>	<u>113,464,000</u>
 Other Assets:		
Intangibles, at cost	20,492,000	17,284,000
Deferred charges	1,987,000	3,263,000
Other assets	4,290,000	2,149,000
	<u>26,769,000</u>	<u>22,696,000</u>
	<u>\$365,210,000</u>	<u>\$320,315,000</u>

American Broadcasting Companies, Inc.

Liabilities and Stockholders' Equity

	December 30, 1967	December 31, 1966
Current Liabilities:		
Accounts payable and accrued expenses	\$ 70,507,000	\$ 56,211,000
Federal taxes on income	7,779,000	14,547,000
Loans payable within one year (Note F)	37,887,000	7,290,000
Total current liabilities	<u>116,173,000</u>	<u>78,048,000</u>
Long-Term Liabilities:		
Loans payable (Note F)	84,381,000	87,897,000
Other	12,826,000	8,661,000
	<u>97,207,000</u>	<u>96,558,000</u>
Deferred Income	3,857,000	4,598,000
	<u>217,237,000</u>	<u>179,204,000</u>
Stockholders' Equity:		
Common stock, \$1 par value (Note G)	4,727,000	4,707,000
Capital in excess of par value (Note H)	64,752,000	63,924,000
Retained earnings (Note I)	78,494,000	72,480,000
	<u>147,973,000</u>	<u>141,111,000</u>
Commitments and Contingent Liabilities (Notes K and L)		
	<u>\$365,210,000</u>	<u>\$320,315,000</u>

Statement of Consolidated Earnings and Retained Earnings

			<u>1967</u>	<u>1966</u>
Revenues:				
Television and radio time and program sales			\$431,325,000	\$413,684,000
Theatre admissions, rentals and vending profits			84,877,000	82,390,000
Merchandise and record sales, publishing and other revenues			58,750,000	43,898,000
			<u>574,952,000</u>	<u>539,972,000</u>
Expenses:				
Operating expenses, cost of merchandise sold and selling and administrative expenses . .			525,694,000	485,505,000
Depreciation and amortization of property and equipment			12,056,000	8,756,000
Interest expense			5,996,000	3,686,000
State, local and payroll taxes			9,847,000	9,315,000
Federal income tax			9,600,000	14,850,000
			<u>563,193,000</u>	<u>522,112,000</u>
	Per share			
	<u>1967</u>	<u>1966</u>		
Earnings from operations before extraordinary items	\$2.50	\$3.81	11,759,000	17,860,000
Capital and non-recurring gains,				
net of applicable federal income tax and, in 1967,				
reserve of \$1,000,000 provided against investments				
(Note B) . . . . .	.38	.04	1,770,000	206,000
Net earnings for the year	<u>\$2.88</u>	<u>\$3.85</u>	13,529,000	18,066,000
Retained earnings at beginning of year			72,480,000	61,910,000
			86,009,000	79,976,000
Less—Cash dividends	<u>\$1.60</u>	<u>\$1.60</u>	7,515,000	7,496,000
Retained earnings at end of year (Note I)			\$ 78,494,000	\$ 72,480,000

Notes to Consolidated Financial Statements

Note A—Consolidation Policy: The consolidated financial statements include the accounts of the company and majority owned domestic subsidiaries.

Note B—Capital and Non-Recurring Gains: Net capital and non-recurring gains for 1967, after applicable federal income tax, include \$3,266,000 from the sale of the company's investment in Technical Operations, Inc., less \$1,000,000 provided as an additional reserve against investments. The applicable federal income tax charge (benefit) was \$672,000 for 1967 and (\$86,000) for 1966.

In January 1968, the company sold its investment in Microwave Associates, Inc. and realized a gain of approximately \$3,045,000, net of applicable federal income tax which is not reflected in the accompanying statements.

Note C—Television and Theatrical Motion Picture Rights, Production Costs And Advances: Television program rights, some of which are not available for telecast until 1969 and later years, television production costs and advances represent principally

the amounts paid less the amounts charged to operations on the basis of use for network programs, by systematic amortization over the rental periods for local station programs, and proportionately on the basis of earned revenues to estimated ultimate revenues for costs of programs distributed to others.

Amortization of theatrical motion picture costs, based upon the estimated flow of income, commences upon the release of a picture for theatrical exhibition.

Note D—Investments: Investments at December 30, 1967 include \$1,032,000, the carrying value of unliquidated investments in certain theatres sold since the inception of the company. The sales prices aggregating \$7,943,000, of which \$5,598,000 remained uncollected, are payable in instalments, mainly in variable contingent amounts to 1981. The difference between the uncollected portion and the carrying value represents a contingent profit which will be reflected in earnings proportionately over future years as additional instalments of the sales prices are collected.

Note E—Property and Equipment:

Property and equipment, at cost, comprises:

	1967	1966
Land	\$ 23,040,000	\$ 24,483,000
Buildings	66,314,000	65,901,000
Operating equipment	70,014,000	52,446,000
Leasehold improvements	15,963,000	14,976,000
	<u>\$175,331,000</u>	<u>\$157,806,000</u>

It is the policy of the company and its subsidiaries to depreciate property and equipment on a straight-line basis over the estimated useful lives of the respective depreciable assets.

Note F—Loans Payable:

Long-Term

	1967	1966
4.55% notes payable semi-annually, \$1,250,000 to January 1, 1971, \$1,625,000 to January 1, 1985 and \$10,750,000 on July 1, 1985	\$63,750,000	\$66,250,000
Bank loans payable in approximately equal quarterly instalments to March 1, 1972. Interest is at the prime rate plus $\frac{1}{4}$ of 1% per annum	23,348,000	25,000,000
Mortgage and other loans payable through 1981. Interest is at rates ranging from $4\frac{1}{2}\%$ to $6\frac{1}{2}\%$ per annum	5,926,000	3,937,000
	<u>93,024,000</u>	<u>95,187,000</u>
Less portion payable within one year	8,643,000	7,290,000
	<u>\$84,381,000</u>	<u>\$87,897,000</u>

Current

International Telephone and Telegraph Corporation—payable January 1, 1969. Effective interest is 5.85% per annum	\$25,000,000	
Short-term bank loans. Interest ranges from $5\frac{1}{2}\%$ to $6\frac{1}{2}\%$ per annum	4,244,000	
Portion of long-term loans payable within one year, as above	8,643,000	\$ 7,290,000
	<u>\$37,887,000</u>	<u>\$ 7,290,000</u>

Note G—Common Stock: At December 30, 1967, there were 10,000,000 shares of common stock authorized. Of 4,727,380 shares issued, 18,761 shares, at a cost of \$1,256,855 are included in investments and held in treasury for the purposes of the Key Employees Incentive Compensation Plan.

Under stock option plans, 284,346 shares of common stock, including 97,750 which may be granted, are reserved for issuance to employees. At December 30, 1967, options for 186,596 shares at prices ranging from \$28.647 to \$85.50 per share were outstanding of which 89,286 shares were exercisable. The remaining options become exercisable as to 48,178 shares in 1968, 43,757 shares in 1969 and 5,375 shares in 1970.

During 1967, options for 20,111 shares were exercised at prices ranging from \$28.647 to \$77.875 per share.

Note H—Capital In Excess Of Par Value: During the year, capital in excess of par value increased by \$828,000 representing the excess of proceeds over par value of common shares issued upon exercise of stock options.

Note I—Retained Earnings: The loan agreements provide certain restrictions on the company in declaring or paying dividends (other than in shares of capital stock of the company) or in making any purchase or redemption of capital stock of the company. Of the consolidated retained earnings at December 30, 1967, approximately \$35,000,000 was not so restricted.

Note J—Retirement Plans: During 1967 and 1966, \$1,711,000 and \$1,300,000, respectively, including amortization of past service costs over a period of thirty years from inception was charged to

operations and paid to the retirement funds in connection with the contributory retirement plans of the company and certain of its consolidated subsidiaries. At December 30, 1967, the unfunded past service cost was estimated at \$10,900,000. The actuarially computed value of vested benefits exceeded the total of the retirement funds by approximately \$7,700,000.

The company also charges to operations the payments required to be made to various union retirement funds in accordance with the applicable collective bargaining agreements.

Note K—Long-Term Commitments: Minimum annual rentals, under 350 leases for real property in effect at December 30, 1967 amounted to \$6,781,000 which is summarized according to lease expiration periods: 1968-1970, \$1,475,000; 1971-1975, \$1,958,000; 1976-1980, \$1,161,000; 1981-1985, \$314,000 and subsequent to 1985, \$1,873,000. Total rent, including rentals based on a percentage of receipts, charged to operations in 1967 amounted to \$6,881,000.

The company has entered into contracts covering rentals of feature films for future telecast under which it is obligated to make payments totaling approximately \$105,000,000 during the next five years.

Note L—Contingent Liabilities: There are contingent liabilities under pending litigation, including anti-trust suits to which some of the companies in the motion picture industry are also defendants.

The company has a maximum obligation of \$4,500,000 as a guarantor on bank loans to non-consolidated companies.

Opinion Of Independent Accountants

To the Board of Directors and Stockholders of American Broadcasting Companies, Inc.

In our opinion, the accompanying statement of consolidated financial position and the related statement of consolidated earnings and retained earnings present fairly the financial position of American Broadcasting Companies, Inc. and its subsidiaries at December 30, 1967 and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

New York, N.Y.
February 19, 1968

Five Year Financial Summary (Dollars in Thousands)

Earnings and Dividends	1967	1966	1965	1964	1963
Revenues					
Broadcasting	\$431,325	\$413,684	\$361,631	\$310,135	\$280,572
Theatres	84,877	82,390	80,982	78,891	76,209
Merchandise sales and other	58,750	43,898	33,852	31,889	29,948
Total	<u>\$574,952</u>	<u>\$539,972</u>	<u>\$476,465</u>	<u>\$420,915</u>	<u>\$386,729</u>
Earnings from operations	\$ 11,759	\$ 17,860	\$ 15,721	\$ 11,019	\$ 7,385
Capital and non-recurring gains (losses), net.	1,770	206	(156)	177	542
Net earnings.	<u>\$ 13,529</u>	<u>\$ 18,066</u>	<u>\$ 15,565</u>	<u>\$ 11,196</u>	<u>\$ 7,927</u>
Per Share					
Earnings from operations	\$2.50	\$3.81	\$3.39	\$2.40	\$1.62*
Capital and non-recurring gains (losses), net. ....	.38	.04	(.04)	.04	.12*
Net earnings.	<u>\$2.88</u>	<u>\$3.85</u>	<u>\$3.35</u>	<u>\$2.44</u>	<u>\$1.74*</u>
Dividends					
Cash—Total	\$ 7,515	\$ 7,496	\$ 6,962	\$ 5,512	\$ 4,463
Per share outstanding	\$1.60	\$1.60	\$1.50	\$1.20	\$.98*
Stock					2%
Position at Year End					
Working capital	\$ 83,050	\$ 91,755	\$ 93,772	\$ 72,103	\$ 69,142
Property and equipment, net	\$127,024	\$113,464	\$ 74,292	\$ 70,177	\$ 69,575
Total assets.	\$365,210	\$320,315	\$262,777	\$226,640	\$221,421
Loans payable after one year	\$ 84,381	\$ 87,897	\$ 62,030	\$ 46,559	\$ 49,304
Common stock equity	\$147,973	\$141,111	\$129,672	\$119,493	\$112,266
Number of common shares issued	4,727,380	4,707,270	4,681,896	4,623,548	4,557,444

*Adjusted for stock dividend paid in 1963.

Earnings per share are based on the average number of shares outstanding in each year.

Board of Directors

Alger B. Chapman
Chairman of the Board of Squibb Beech-Nut, Inc.
Samuel H. Clark
Group Vice President of the Corporation
John A. Coleman
Senior Partner, Adler, Coleman & Co.
Everett H. Erlick
Vice President and General Counsel of the Corporation
E. Chester Gersten
Retired—a director and member of the Executive Committee of the Corporation
Leonard H. Goldenson
President of the Corporation
Jack Hausman
President of Belding Hausman Fabrics, Inc.

Robert H. Hinckley
Chairman of the Board of Hinckleys, Inc.
Robert L. Huffines, Jr.
President of Cherokee Securities Corporation
George P. Jenkins
Chairman of Finance Committee of Metropolitan Life Insurance Company
Joseph A. Martino
Chairman of the Board and Chief Executive Officer of National Lead Company
Thomas W. Moore
Group Vice President of the Corporation
Theodore Schlesinger
President and Chief Executive Officer of Allied Stores Corporation
Simon B. Siegel
Executive Vice President of the Corporation

Executive Committee

John A. Coleman, *Chairman*
Alger B. Chapman
E. Chester Gersten
Leonard H. Goldenson
Robert H. Hinckley
Robert L. Huffines, Jr.
Simon B. Siegel

Officers

Leonard H. Goldenson
President
Simon B. Siegel
Executive Vice President

Everett H. Erlick
Vice President and General Counsel
Jerome B. Golden
Vice President and Secretary
James C. Hagerty
Vice President
Herbert R. Hahn
Vice President
Frank L. Marx
Vice President

Martin Brown
Treasurer
John H. Regazzi
Comptroller
Joseph W. Fitzpatrick
Assistant Treasurer

Ralph W. Beaudin
Group Vice President
Samuel H. Clark
Group Vice President
Thomas W. Moore
Group Vice President
Theodore F. Shaker
Group Vice President

Franklin Feinstein
Assistant Secretary
Mortimer Weinbach
Assistant Secretary

